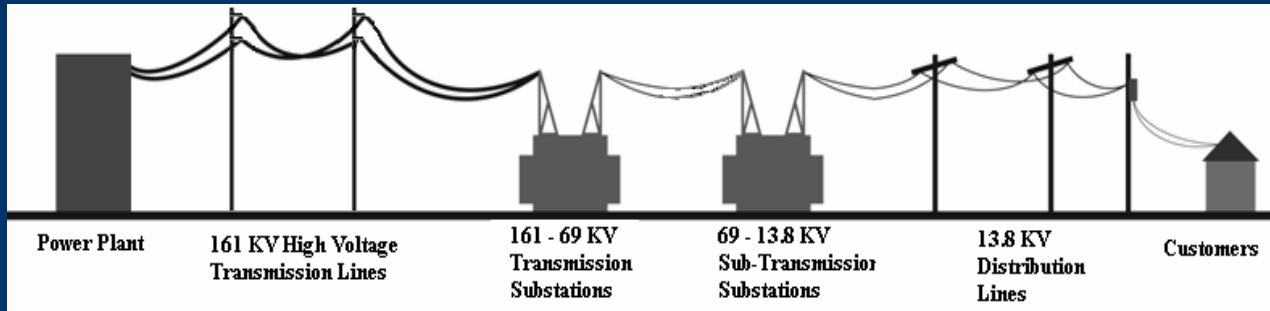


Staff Recommendation

Factors of Importance for Formulation of Staff Recommendation

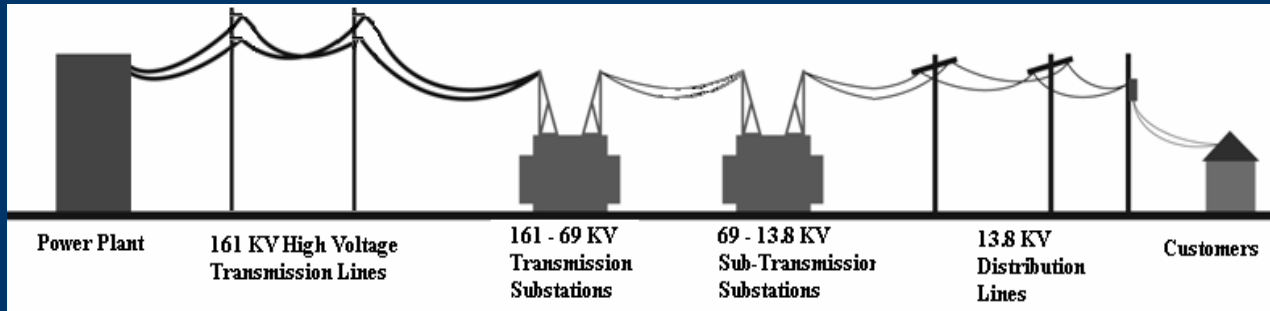
- Public Rank of Importance Survey
- Community Impact Matrix
- Public's Preferred Option & Undergrounding Cost Acceptance



Staff Recommendation

Public's Rank of Importance Survey

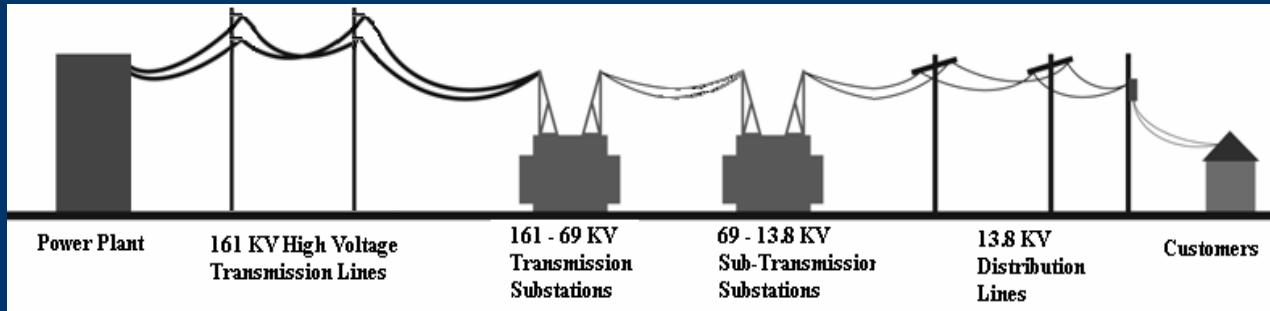
1) Reliable electric service	16.2%
2) Option provides longest-term solution	15.3%
3) Least cost to build/minimize rate impact	12.6%
4) Proximity to residential homes (this includes apartments)	12.5%
5) Environmental impact	11.8%
6) Negative aesthetic impacts	11.7%
7) Proximity to schools, day cares, churches, hospitals, nursing homes	11.3%
8) Proximity to commercial businesses	8.6%



Staff Recommendation

Results of the Decision Matrix Analyzing Community Impacts vs. Benefits

- Option A: -36,341
- Option B: -35,739
- Option B-2: -35,528



Staff Recommendation

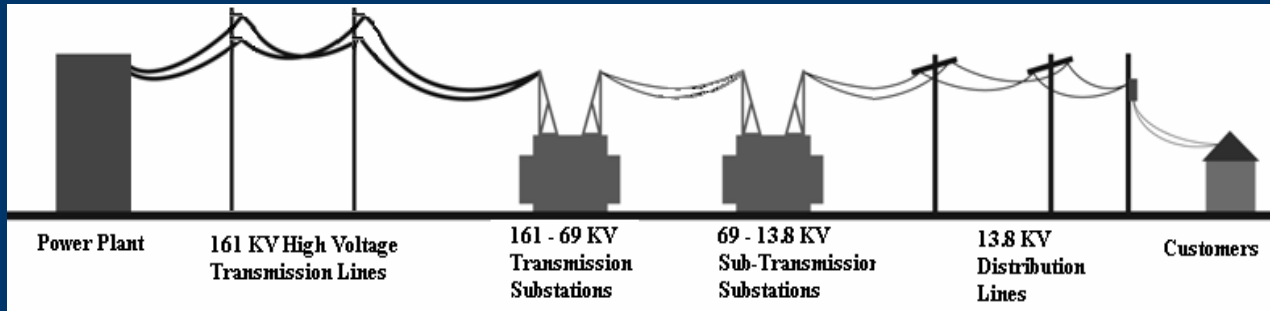
Survey for Public Opinion

“Given the necessity for this project, if you must choose, which option would you prefer to see implemented?”

- Option A: 76%
- Option B: 17%
- Option B-2: 7%

“OK to raise rates for undergrounding lines?”

- Yes - 53%
- No - 47%

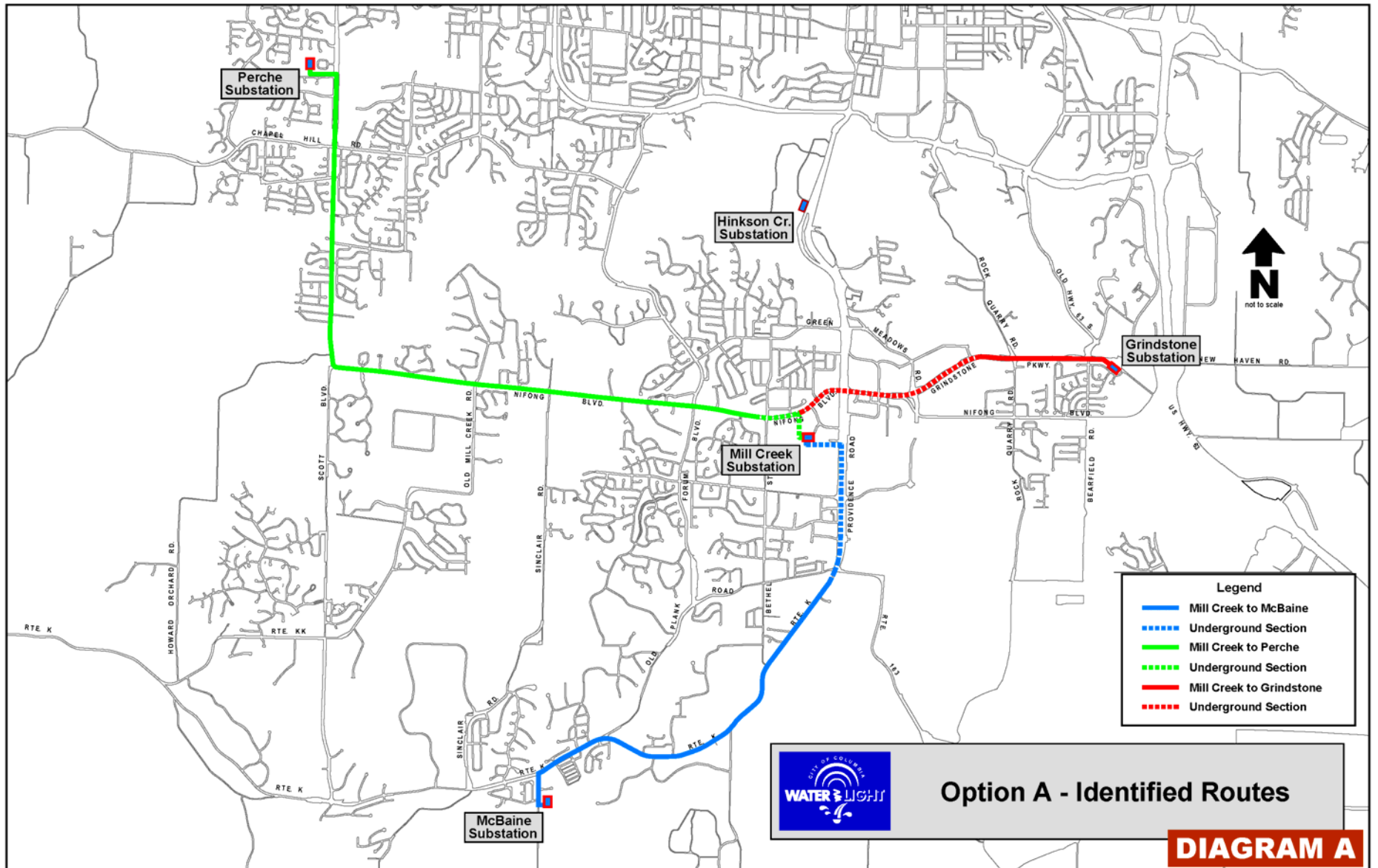


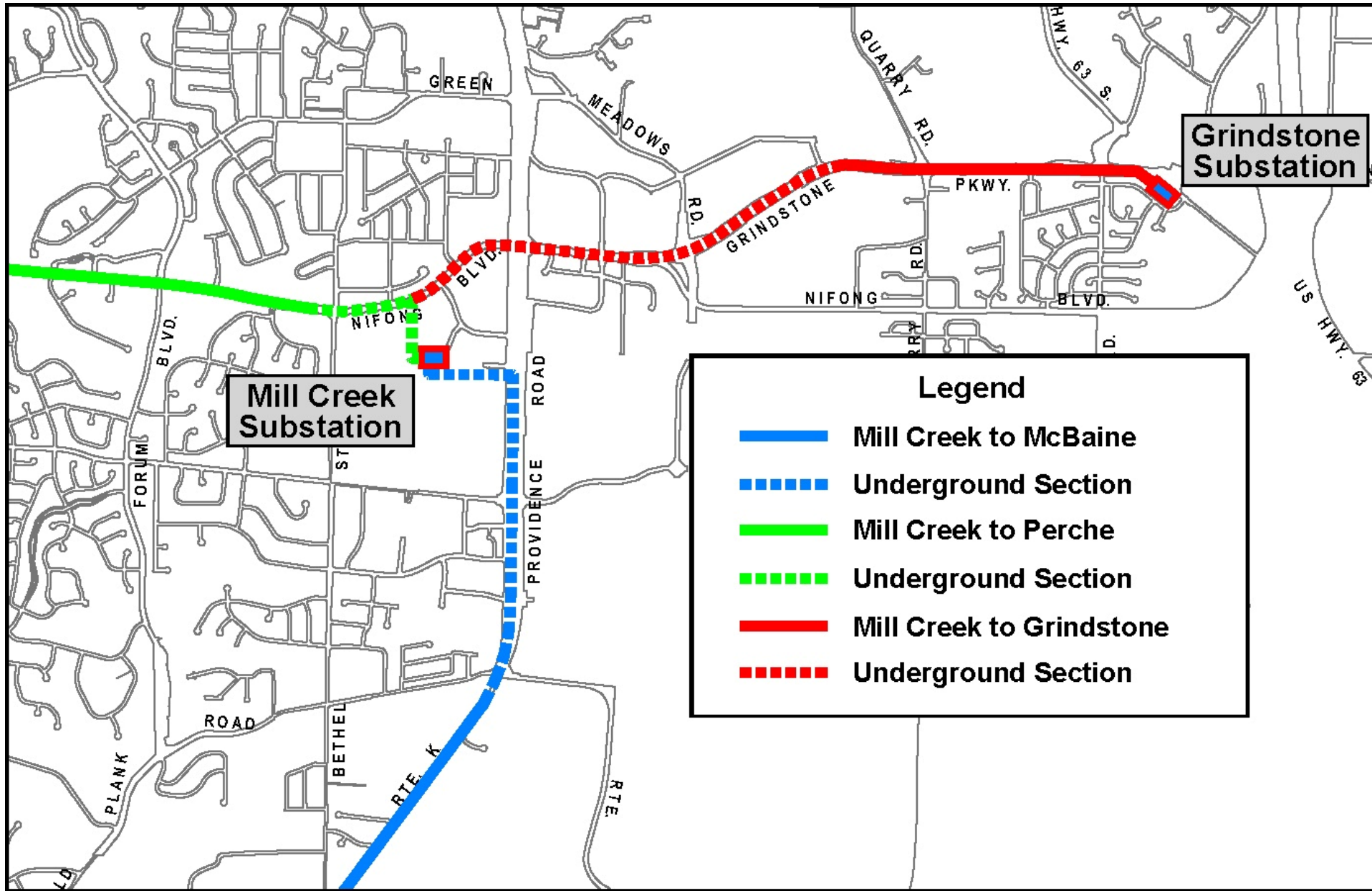
Staff Recommendation

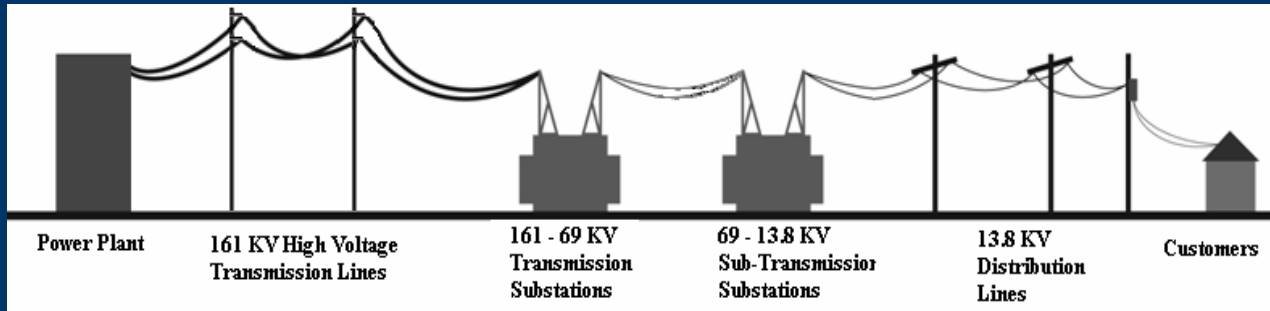
Using this Feedback Staff is Recommending Option A.

Undergrounding Options to Consider.

- All Transmission Lines to Exit the New Substation Underground and Make One Transition to Overhead on Each of the Three Segments
- Distribution Lines along the Transmission Route will be underground



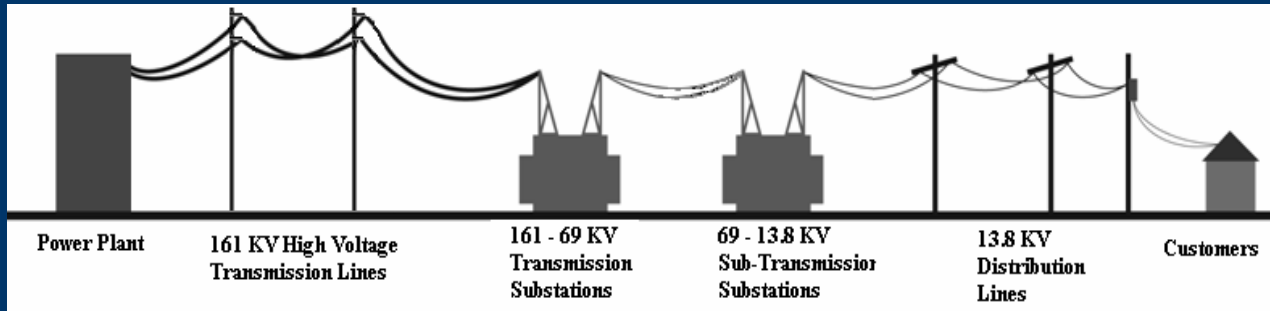




Staff Recommendation

Public's Rank of Importance

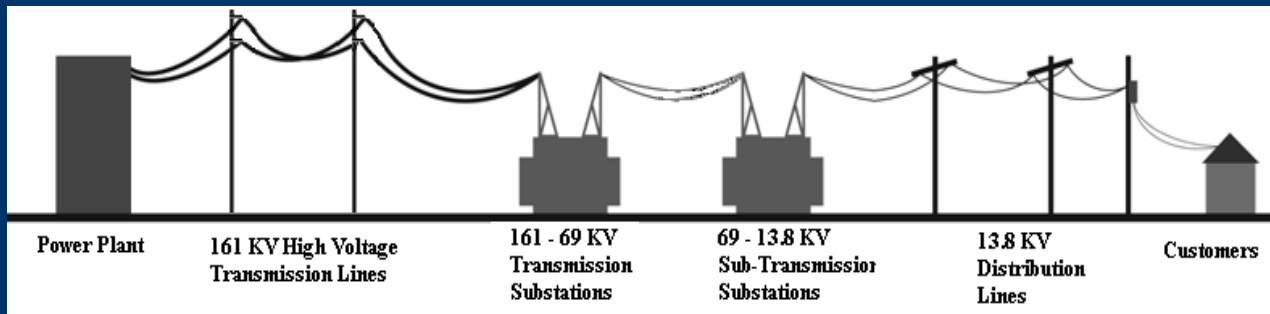
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Staff Recommendation

Results of the Decision Matrix Analyzing Community Impacts vs. Benefits

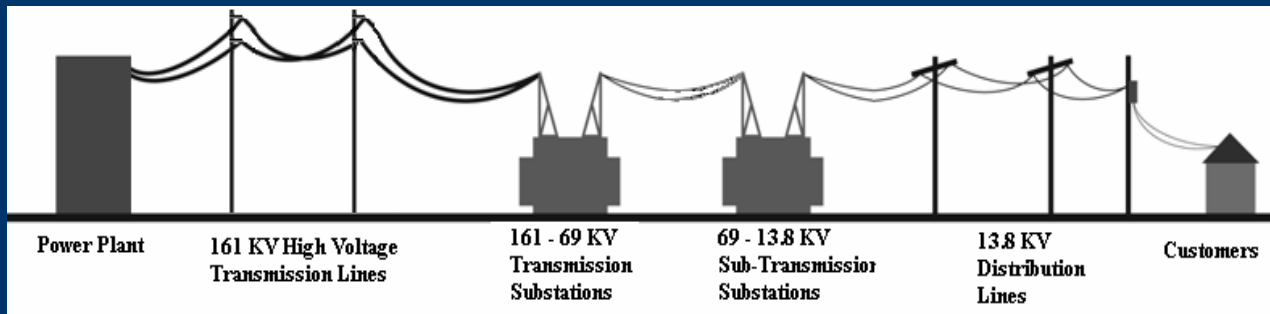
- Option A: -36,341
- Option B: -35,739
- Option B-2: -35,528
- **Option A SRU: -31,608**



Cost of Staff Recommendation

Cost of Options

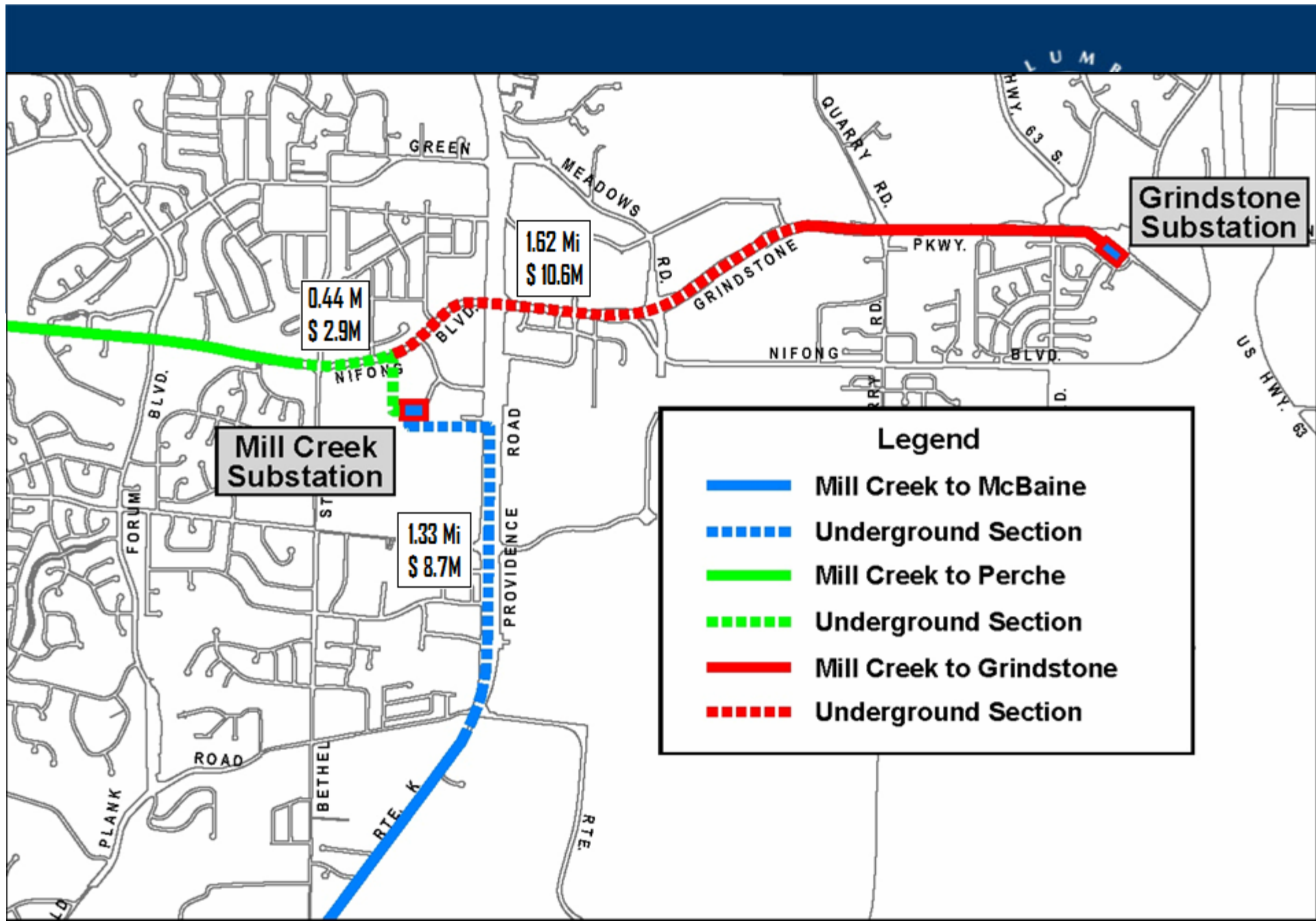
	Option A OH	Option A UG	Option B OH	Option B UG	Option B2 OH	Option B2 UG	Option A SRU
Estimated Solution Duration (Years)	20+	20+	10 to 20	10 to 20	10 to 20	10 to 20	20+
Total Miles of Transmission Line	12.07	12.07	9.96	9.96	12.81	12.81	12.07
Construction Cost/Mile Overhead	\$1,088,245	\$0	\$1,019,189	\$0	\$953,926	\$0	\$1,088,245
Construction Cost/Mile Underground	\$0	\$7,613,800	\$0	\$7,613,800	\$0	\$7,613,800	\$7,613,800
Overhead Cost	\$13,135,117	\$0	\$10,151,122	\$0	\$12,219,788	\$0	\$9,445,967
Underground Cost	\$0	\$91,898,566	\$0	\$75,833,448	\$0	\$97,532,778	\$25,810,782
Total	\$13,135,117	\$91,898,566	\$10,151,122	\$75,833,448	\$12,21,788	\$97,532,778	\$35,256,749

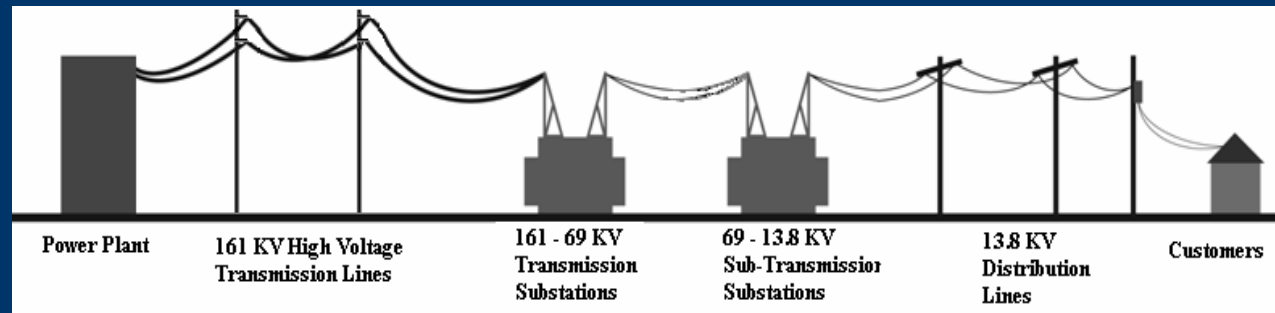


Cost of Staff Recommendation

Rate Impact of Options

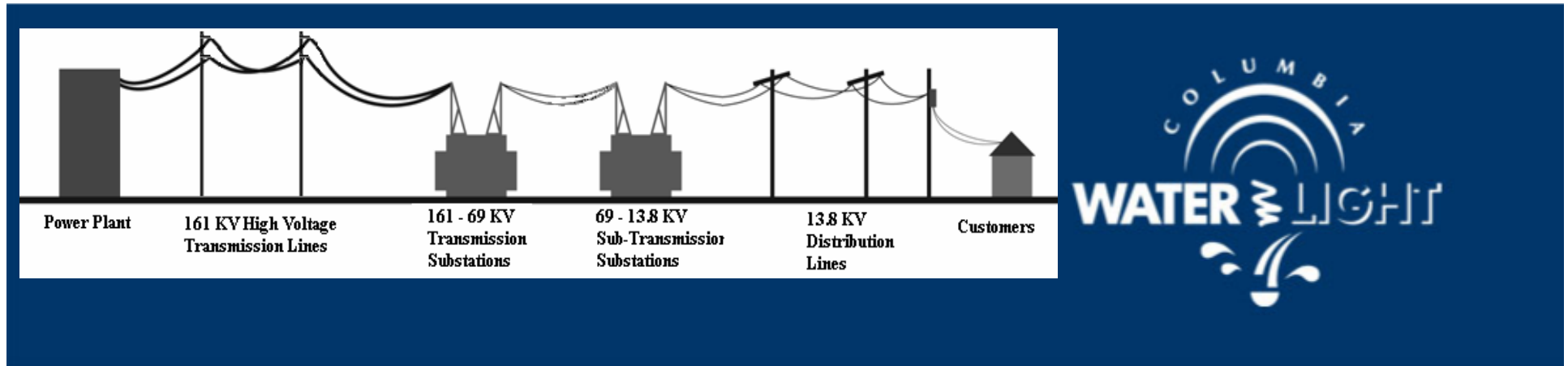
	Option A OH	Option A UG	Option B OH	Option B UG	Option B2 OH	Option B2 UG	Option A SRU
Construction Cost/Customer OH	\$283	\$0	\$219	\$0	\$264	\$0	\$204
Construction Cost/Customer UG	\$0	\$1,983	\$0	\$1,636	\$0	\$2,105	\$557
Total	\$283.43	\$1,982.97	\$219.04	\$1,636.32	\$263.68	\$2,104.54	\$760.76
Cost/Customer/Month over 20 Years OH	\$1.18	\$0.00	\$0.91	\$0.00	\$1.10	\$0.00	\$0.85
Cost/Customer/Month over 20 Years UG	\$0.00	\$8.26	\$0.00	\$6.82	\$0.00	\$8.77	\$2.32
Total	\$1.18	\$8.26	\$0.91	\$6.82	\$1.10	\$8.77	\$3.17
Construction Rate Increase OH	1.54%	0.00%	1.19%	0.00%	1.44%	0.00%	1.11%
Construction Rate Increase UG	0.00%	10.81%	0.00%	8.92%	0.00%	11.48%	3.04%
Total	1.54%	10.81%	1.19%	8.92%	1.44%	11.48%	4.15%





Staff Recommendation Summary

- Staff Recommendation of Option A with Some Undergrounding
 - Addresses 5 of the 8 public rank of importance issues with the top 2 included
 - 13% Better Public Impact Score
 - Solution increases the project costs by 270% above the Overhead only option



Staff Recommendation Summary Continued

- Transfers load to the 161 kV system and preserves current 69 kV capacity
- 161 kV option more than double the power transmission capacity
- Provides most economical, reliable & long term option
- At their June 12 meeting, the Water & Light Advisory Board Endorsed Option A without undergrounding options.



Columbia Water & Light - Transmission Powerline Timeline

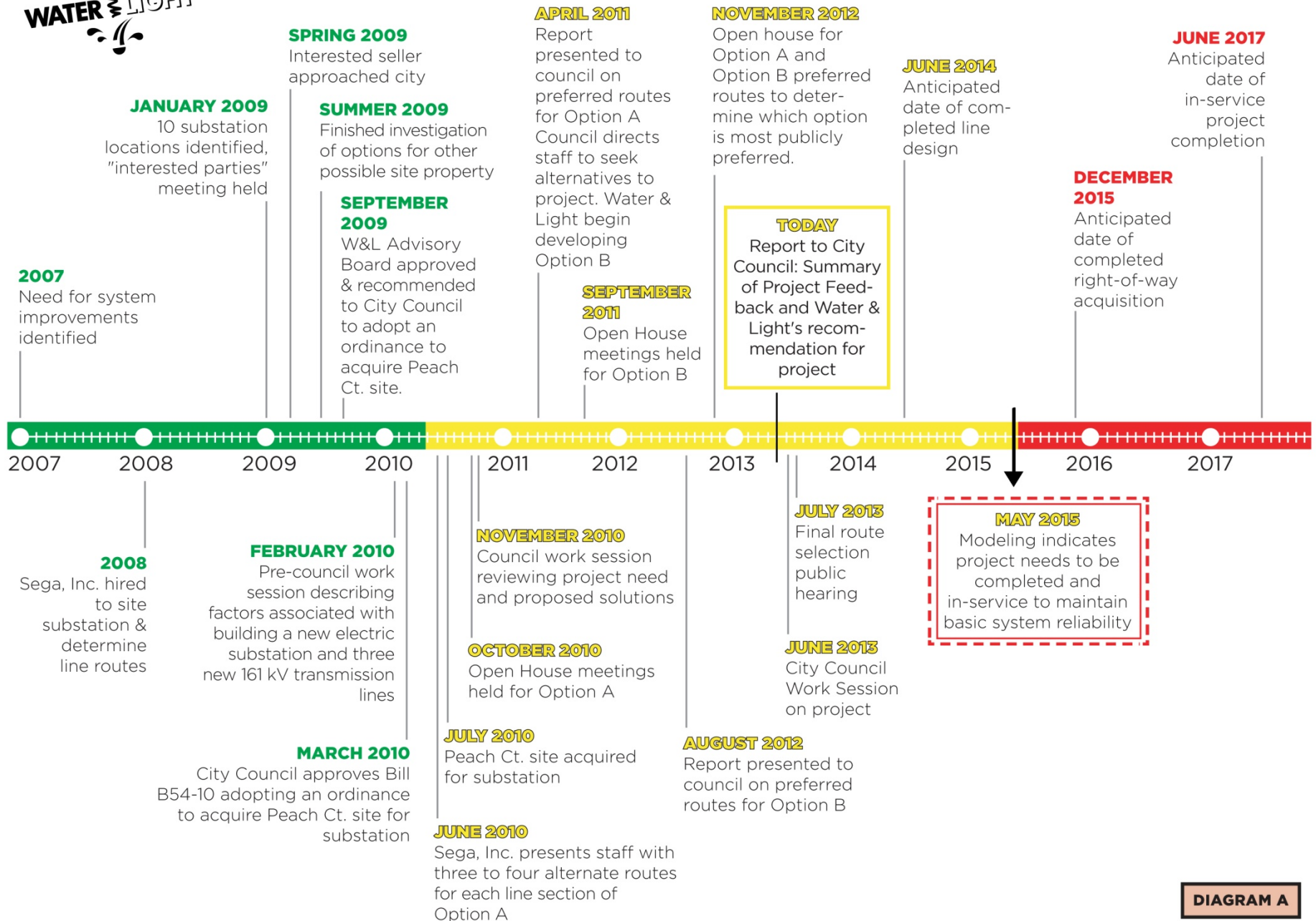


DIAGRAM A